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FORT WAYNE MARKET NEWS

United States Department of Agriculture
Agricultural Marketing Service
Dairy Division

1122 South Harrison Street
Fort Wayne, Indiana 46802
Phone: 742 - 7401

Federal Order No. 47

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. IX No. 2

February 1965

JANUARY UNIFORM PRICE \$4.08

Dairy farmers who delivered Grade "A" milk to handlers subject to the Fort Wayne milk order in January 1965, will receive a minimum uniform price of \$4.08 per hundredweight for milk testing 3.5%. A butterfat differential of 6.9 cents for each one tenth of one percent that individual tests vary above or below the 3.5% standard will be used. This minimum price is subject to a 4 cent per hundred-weight marketing service deduction and authorized hauling charges. The computation of the minimum blend price is shown on page 5 and the class prices on page 4.

The \$4.08 price for January 1965, is 4 cents below the December 1964 price, but 4 cents above the January 1964 price.

ESTIMATED PERCENTAGES IN EACH CLASS

In accordance with §1047.22(1) the Market Administrator announced the following estimated utilization percentages for January 1965 on February 10, 1965.

	<u>Skim Milk</u>	<u>Butterfat</u>
Class I	72%	62%
Class II	28%	38%

PRODUCER RECEIPTS AND UTILIZATION

Approved producers shipped 24,924,606 pounds of milk to the Fort Wayne market during January 1965, of which 17,697,606 pounds of 71% was utilized in Class I by 15 pool handlers. Production was up 10.2% from December 1964. Class I utilization of producer milk was up 3.9% from December 1964.

FEBRUARY CLASS I PRICE \$4.45

\$1.20 was added to the January basic formula price of \$3.25 (Wisconsin-Minnesota Series) to establish the Fort Wayne Class I price for February. The price of \$4.45 is 4 cents under the January Class I price, and was neither increased nor decreased by a "supply-demand adjustment".

USDA'S AGRICULTURAL MARKETING SERVICE MERGES DAIRY OPERATIONS

The U. S. Dept. of Agriculture has announced merger of the milk order, standardization, inspection and grading programs formerly in the Milk Marketing Orders and Dairy Divisions of the Agricultural Marketing Service. The new division will be called the Dairy Division. In addition, the Market News Branch of the former Dairy Division has been transferred to the Poultry Division.

Herbert L. Forest, Director of the former Milk Marketing Orders Division, is Director of the new Dairy Division. Alexander Swantz, presently Acting Director, Dairy Division, and Howard C. Feddersen and William G. Sullivan, presently of the Milk Marketing Orders Division, staff, will become Deputy Directors of the newly-created Division.

FORT WAYNE MILK MARKET NEWS

UTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

<u>CLASS I MILK</u>	January 1965 Reported		January 1964 Reported	
	<u>Milk Pounds</u>	<u>BF Pounds</u>	<u>Milk Pounds</u>	<u>BF Pounds</u>
Fluid Milk	15,106,267	529,023	13,891,899	485,475
Regular Skim Milk	269,469	1,310	273,220	1,258
2% Skim Milk	1,768,239	35,208	1,482,762	29,851
Buttermilk	123,919	1,538	114,099	1,122
Flavored Milk/Drink	697,500	20,623	692,864	20,043
Cream Mixtures	197,624	23,829	199,920	24,441
Light Cream	5,101	1,127	7,819	1,542
Heavy Cream	16,493	5,830	16,637	5,787
Sour Cream	36,911	6,852	26,016	4,818
Sub Totals	18,221,523	625,340	16,705,236	574,337
Plus Unaccounted For	5,935	3,300	15,262	1,406
Gross Total Class I Milk	18,227,458	628,640	16,720,498	575,743
Less Other Source Receipts	528,252	20,711	313,639	14,434
Less Overages			-0-	-0-
Less Beginning Inventory	1,600	-0-	-0-	-0-
<u>CLASS I PRODUCER MILK IN POOL</u>	<u>17,697,606</u>	<u>607,929</u>	<u>16,406,859</u>	<u>561,309</u>
<u>CLASS II MILK</u>				
Class II Production	1,249,982	30,276	1,554,080	39,595
Sales to Nonpool Plants	5,205,147	312,600	3,639,919	241,239
Ending Inventory	2,156,815	89,872	1,615,014	66,132
Dumped or Livestock Feed	70,870	866	63,594	684
Class II Shrinkage	194,800	9,640	76,913	5,121
Gross Total Class II Milk	8,877,614	443,254	6,949,520	352,771
Less Other Source Receipts	45,674	1,857	19,683	814
Less Overages	880	-0-	27,759	1,234
Less Beginning Inventory	1,604,060	67,133	1,460,592	60,272
<u>CLASS II PRODUCER MILK IN POOL</u>	<u>7,227,000</u>	<u>374,264</u>	<u>5,441,486</u>	<u>290,451</u>
<u>TOTAL PRODUCER MILK IN BOTH CLASSES</u>	<u>24,924,606</u>	<u>982,193</u>	<u>21,848,345</u>	<u>851,760</u>

MISCELLANEOUS INFORMATION

	January <u>1965</u>	January <u>1964</u>	January <u>1963</u>
Daily Class I Milk (Lbs.)	587,983	539,371	472,547
Current Month Compared With:		+ 9.0%	+ 24.4%
Production per Farm per Day	885	817	727
Current Month Compared With:		+ 8.3%	+ 21.7%
Gross Class I Milk to Producer Milk	73.1%	76.5%	75.9%
Pool Value of Producer Milk	\$1,095,047	\$944,262	\$835,129
Value of Producer Milk per Farm	\$ 1,205	\$ 1,094	\$ 994
Wisconsin-Minnesota Series	\$ 3.25	\$ 3.17	\$ 3.10
Butter-Skim Powder Price	\$ 3.03	\$ 3.03	\$ 3.00

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK
(By Months and Monthly Averages)

Month or Year	CLASS I			CLASS II			PRODUCER RECEIPTS (100%)		
	Product Pounds	Per- cent	Ave. Test	Product Pounds	Per- cent	Ave. Test	Product Pounds	Ave. Test	No. of Producers
1959	5,400,857	61.9	3.65	3,327,343	38.1	4.00	8,728,200	3.74	821
1960	5,906,158	63.3	3.63	3,420,711	36.7	4.10	9,326,869	3.80	817
1961	9,890,439	71.4	3.57	3,953,396	28.6	4.19	13,843,835	3.75	893
1962	12,733,372	78.4	3.52	3,504,536	21.6	4.75	16,237,908	3.77	810
1963									
Jan.	14,402,111	74.7	3.48	4,889,705	25.3	5.48	19,291,816	3.98	856
Feb.	13,757,097	79.0	3.47	3,650,931	21.0	5.69	17,408,028	3.93	846
Mar.	15,839,650	80.5	3.51	3,840,601	19.5	5.30	19,680,251	3.86	854
Apr.	15,186,201	75.6	3.50	4,897,648	24.4	4.52	20,083,849	3.75	863
May	15,156,334	65.8	3.51	7,870,710	34.2	3.80	23,027,044	3.61	872
Jun.	12,819,856	61.0	3.51	8,208,776	39.0	3.56	21,028,632	3.53	867
Jul.	13,744,763	68.1	3.45	6,427,697	31.9	3.67	20,172,460	3.52	881
Aug.	14,344,322	74.6	3.51	4,881,413	25.4	3.68	19,225,735	3.55	890
Sep.	14,360,070	78.8	3.47	3,863,174	21.2	4.27	18,223,244	3.64	896
Oct.	15,696,736	81.7	3.44	3,527,183	18.3	5.03	19,223,919	3.73	883
Nov.	15,472,742	79.2	3.50	4,073,713	20.8	5.20	19,546,455	3.86	891
Dec.	15,628,927	75.1	3.49	5,178,732	24.9	5.33	20,807,659	3.95	870
Ave.	14,700,734	74.2	3.49	5,109,190	25.8	4.63	19,809,924	3.74	872
1964									
Jan.	16,406,859	75.1	3.42	5,441,486	24.9	5.34	21,848,345	3.90	863
Feb.	15,442,679	72.1	3.49	5,970,683	27.9	4.75	21,413,362	3.84	882
Mar.	15,769,201	68.8	3.45	7,168,352	31.2	4.67	22,937,553	3.83	867
Apr.	15,838,904	70.5	3.41	6,632,746	29.5	4.59	22,471,650	3.76	855
May	15,539,551	62.8	3.42	9,202,673	37.2	3.94	24,742,224	3.61	851
Jun.	14,766,835	64.2	3.40	8,242,395	35.8	3.76	23,009,230	3.53	860
Jul.	14,967,752	67.9	3.40	7,077,104	32.1	3.69	22,044,856	3.49	882
Aug.	15,651,115	75.1	3.40	5,177,739	24.9	3.89	20,828,854	3.52	936
Sep.	16,360,528	83.5	3.43	3,237,440	16.5	4.62	19,597,968	3.62	840
Oct.	17,958,109	87.0	3.44	2,659,921	13.0	6.19	20,618,030	3.80	912
Nov.	16,366,133	78.0	3.45	4,604,051	22.0	5.45	20,970,184	3.89	900
Dec.	17,036,142	75.4	3.49	5,571,305	24.6	5.51	22,607,447	3.99	864
Ave.	16,008,651	73.0	3.43	5,915,491	27.0	4.70	21,924,142	3.73	876
1965									
Jan.	17,697,606	71.0	3.44	7,227,000	29.0	5.18	24,924,606	3.94	909

PORT WAYNE MILK MARKET NEWS
ORDER NO. 47 PRICES - 3.5% BASIS
 (By Months and Monthly Averages)

Month or Year	Basic Formula Price	CLASS I			CLASS II UNIFORM		BUTTERFAT DIFFERENTIALS		
		Differ- ential	Supply Demand	Milk Price	Milk Price	Milk Price	Class I	Class II	Producer
1959	3.002	1.16	+0.10	4.264	3.002	3.84	.077	.069	.069
1960	3.046	1.16	+0.12	4.325	3.046	3.88	.077	.068	.068
1961	3.16	1.18	---	4.34	3.16	4.00	.077	.070	.073
1962	3.11	1.20	---	4.31	3.07	4.04	.073	.068	.072
1963									
Jan.	3.11	1.20	---	4.31	3.10	3.99	.072	.067	.070
Feb.	3.10	1.20	---	4.30	3.10	4.04	.072	.067	.070
Mar.	3.10	1.20	---	4.30	3.09	4.05	.072	.067	.071
Apr.	3.09	1.20	---	4.29	3.08	3.64*	.072	.067	.071
May	3.08	1.20	---	4.28	3.07	3.52*	.072	.067	.070
Jun.	3.07	1.20	---	4.27	3.08	3.46*	.072	.067	.070
Jul.	3.08	1.20	---	4.28	3.09	3.91	.072	.067	.070
Aug.	3.09	1.20	---	4.29	3.10	4.00	.072	.067	.071
Sep.	3.10	1.20	---	4.30	3.12	4.46*	.072	.069	.071
Oct.	3.12	1.20	---	4.32	3.14	4.47*	.075	.067	.073
Nov.	3.15	1.20	---	4.35	3.13	4.47*	.073	.067	.071
Dec.	3.16	1.20	---	4.36	3.13	4.03	.073	.067	.071
Ave.	3.10	1.20	---	4.30	3.10	4.00	.072	.067	.071
1964									
Jan.	3.16	1.20	---	4.36	3.13	4.04	.073	.067	.071
Feb.	3.17	1.20	---	4.37	3.13	4.02	.072	.067	.070
Mar.	3.16	1.20	---	4.36	3.13	3.96	.072	.067	.070
Apr.	3.15	1.20	---	4.35	3.12	3.63*	.072	.067	.070
May	3.12	1.20	---	4.32	3.12	3.52*	.072	.067	.070
Jun.	3.12	1.20	---	4.32	3.11	3.54*	.072	.067	.070
Jul.	3.11	1.20	---	4.31	3.12	3.93	.072	.067	.070
Aug.	3.12	1.20	---	4.32	3.15	4.03	.072	.068	.071
Sep.	3.15	1.20	---	4.35	3.24	4.59*	.074	.071	.073
Oct.	3.24	1.20	---	4.44	3.23	4.67*	.077	.070	.076
Nov.	3.27	1.20	---	4.47	3.29	4.59*	.076	.072	.075
Dec.	3.29	1.20	---	4.49	3.18	4.12	.078	.068	.075
Ave.	3.17	1.20	---	4.37	3.06	4.05	.074	.068	.072
1965									
Jan.	3.29	1.20	.00	4.49	3.13	4.08	.071	.067	.069
Feb.	3.25	1.20	.00	4.45			.070		

FEDERAL MILK MARKET ADMINISTRATOR
FORT WAYNE INDIANA MARKETING AREA

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Agricultural Marketing Service
Dairy Division
Federal Order No. 47

1122 South Harrison Street
Fort Wayne, Indiana 46802
Phone: 742 - 7401

COMPUTATION OF WEIGHTED AVERAGE OR UNIFORM PRICE
(Based on reports of 15 Handlers)
January 1965

	<u>Milk Pounds</u>	<u>Average Test</u>	<u>Class Prices At Test</u>	<u>Total Value</u>	<u>% of Pounds</u>
Class I Producer Milk	17,697,606	3.4351	\$4.44392	\$786,466.58	71.00
Class II Producer Milk	<u>7,227,000</u>	5.1787	4.25472	<u>307,488.81</u>	<u>29.00</u>
Total Producer Milk	24,924,606			\$1,093,955.39	100.00
Other Source Milk Priced Class I	22,876			<u>1,065.00</u>	
Total	24,947,482	3.9405		\$1,095,020.39	
Add: Value of Overage				6.91	
Add: Value of Inventory Reclassified				<u>19.28</u>	
Total Pool Value				\$1,095,046.58	
Less: Butterfat Adjustment to 3.5% Milk				75,820.74	Rate Per
Add: 1/2 Unobligated Balance in Producer Settlement Fund				<u>9,349.84</u>	<u>Cwt.</u>
Adjusted Value				\$1,028,575.68	\$4.1229639
Less: Producer Settlement Fund Reserve				<u>10,718.41</u>	<u>.0429639</u>
WEIGHTED AVERAGE OR UNIFORM PRICE for 3.5% MILK				\$1,017,857.27	\$4.08

COMPUTATION OF PRODUCER BUTTERFAT DIFFERENTIAL

	<u>Butterfat</u>	<u>Differentials</u>	<u>Weighted Amount</u>
Class I	607,929	\$ 0.071	\$43,162.96
Class II	<u>374,264</u>	<u>0.067</u>	<u>25,075.69</u>
Total	982,193	\$ 0.069	\$68,238.65

The announced uniform price (f.o.b. pool plants at which no location adjustments are applicable) of \$4.08 for 3.5% milk is subject to adjustment by the producer butterfat differential of \$0.069 for each 1/10 percent of butterfat over or under 3.5%. This price is also subject to the applicable marketing service deduction and authorized hauling charges.

MINIMUM PRODUCER PRICES AT BUTTERFAT TEST FOR JANUARY 1965

<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>
3.25	\$3.9075	3.70	\$4.2180	4.15	\$4.5285	4.60	\$4.8390
3.30	3.9420	3.75	4.2525	4.20	4.5630	4.65	4.8735
3.35	3.9765	3.80	4.2870	4.25	4.5975	4.70	4.9080
3.40	4.0110	3.85	4.3215	4.30	4.6320	4.75	4.9425
3.45	4.0455	3.90	4.3560	4.35	4.6665	4.80	4.9770
<u>3.50</u>	<u>4.08</u>	3.95	4.3905	4.40	4.7010	4.85	5.0115
3.55	4.1145	4.00	4.4250	4.45	4.7355	4.90	5.0460
3.60	4.1490	4.05	4.4595	4.50	4.7700	4.95	5.0805
3.65	4.1835	4.10	4.4940	4.55	4.8045	5.00	5.1150

R. J. Connolly
Market Administrator

Date Announced:
February 11, 1965

